

AMENDMENTS TO THE SPECIFICATION

Please replace the second paragraph on page 7 with the following paragraph:

7) Gateway [[3]] 9 detects the ~~modems~~ modem's answer sequence (as described below) and switches the DSP over from a voice channel to a modem relay channel. Then gateway 9 sends the switch over message to gateway 3 in the form of a modem relay message packet. Gateway 9 also continues to negotiate with far end modem 14 to establish a data connection to PC 15.

Please replace the second full paragraph on page 14 with the following paragraph:

In order to properly implement a modem relay, it is necessary to establish packetization parameters as well as modem functional parameters such as modulation and rate. The approach of the present invention defines the modem relay unit packet format to be encapsulated by RTP packets for use by compatible gateways with modem relay units. In order to establish and ~~maintaining~~ maintain a modem connection over a packet network, the originating ~~[[an]]~~ and terminating gateways must have a common modem relay unit packet format. The packet, figure 10, transported over the digital packet network, consists of a sequence number, ~~kind and~~ time stamp, modem handshake, modem relay protocol and modem data depending on the process modem relay state. The packet format is illustrated in figure 10.

Please replace the first paragraph on page 19 with the following paragraph:

If the value of D exceeds k , then the value of k should be re-negotiated between the two gateway's. First, upon detection of a value of D which exceeds the value of k , the receiving gateway reports a loss equal to $(D-k)N$ bytes. ~~[[the]]~~ The receiving gateway then assigns a value D to the value k . By increasing the value of k to equal the actual number of lost packets, the redundancy can be adjusted to compensate for increases in packet loss across the packet network. Also, the receiving gateway can request a retransmission of the last DN bytes from the transmitting gateway to compensate for the packet loss not provision for in the redundancy k .